To: Sarin, Manish[manish.sarin@hp.com]; Breya, Marge[marge.breya@hp.com]; Bhagat, Varoon[varoon.bhagat@hp.com]; Hsiao, Emily (SCD)[emily.hsiao@hp.com]; Levadoux, Jerome[jerome.levadoux@hp.com]; Chotai, Sham[sham.chotai@hp.com]
From: Johnson, Andy (SCD)
Sent: Fri 3/4/2011 7:30:04 PM
Importance: Normal
Subject: FW: part b
corpoverview2011-5.2b.ppt

From: Frank Quattrone [mailto:frank.quattrone@qatalyst.com]
Sent: Friday, March 04, 2011 10:27 AM
To: Johnson, Andy (SCD)
Subject: Fw: part b

From: Andrew Kanter <andrewk@autonomy.com>
To: 'Sushovan Hussain' <sushovanh@autonomy.com>; Frank Quattrone
Sent: Fri Mar 04 07:49:28 2011
Subject: part b

2 of 4

United States District Court
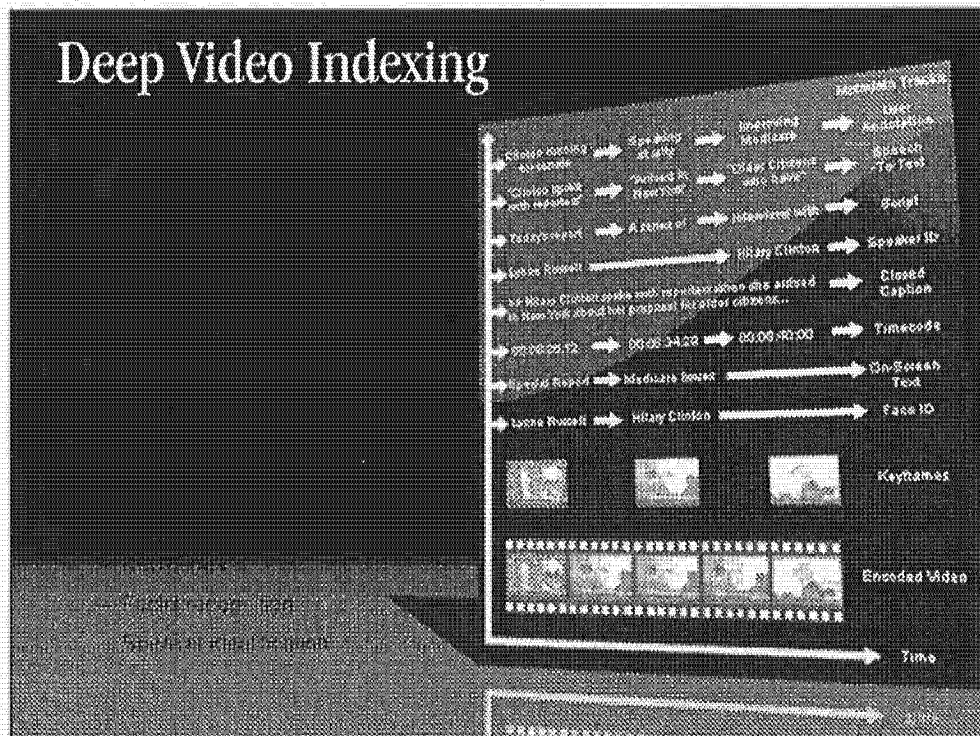Northern District of California

Trial Exhibit 1592
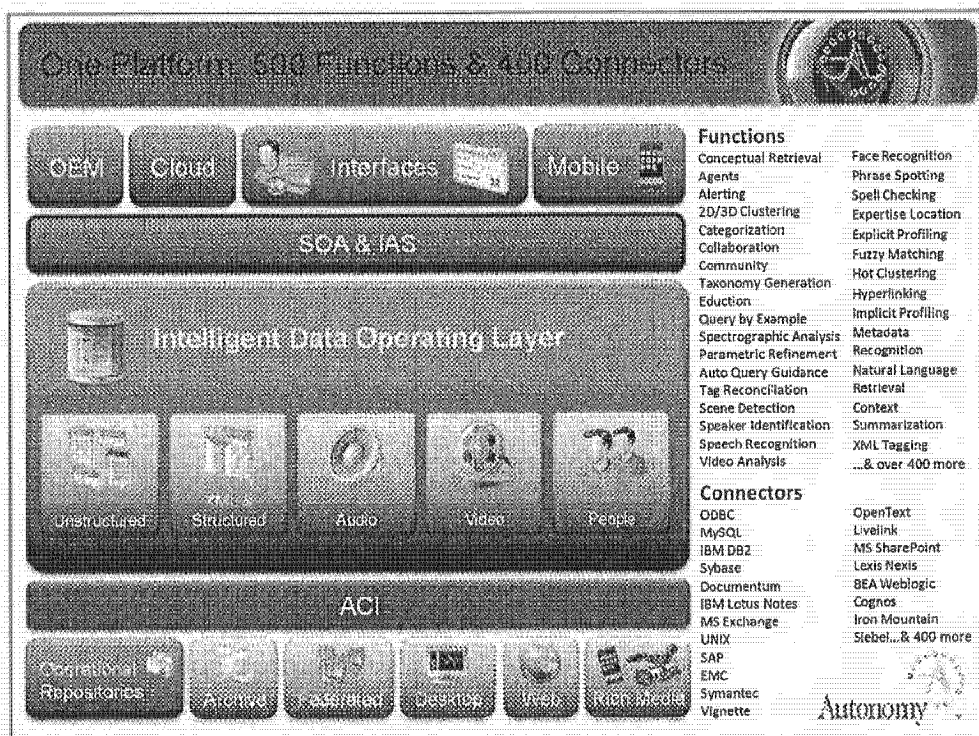
Case No: CR 18-0577 CRB
Date Entered: _____
By: _____
            Deputy Clerk

EXHIBIT

5616

HP-SEC-00194520

US_FBI_E-00010910

Exh 1592-0001

This fingerprint is a flexible representation of the asset whose characteristics can be extracted or used to determine similarities between assets

HP-SEC-00194522

US_FBI_E-00010912

Exh 1592-0003

IDOL SPE: Strategic Opportunity

- Applicable to the $18 billion structured data market

- Complements and enhances existing investment in database infrastructure

- Eliminates missed opportunities and automatically drives top-line growth

- Gradual adoption cycle as CIO's understanding grows

"SPE unveils data patterns that are not obvious in BI, and makes structured data more usable and more useful for the average user"
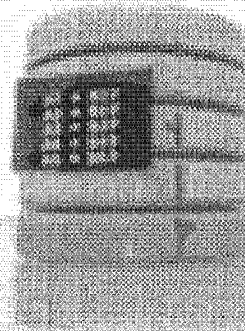
Sue Feldman, IDC

IDC

IDOL SPE

- Database software was worth $18.8 billion in 2008 — Exane BNP

- Accounts for 10% of total software sales — Gartner, Exane BNP

- Gartner estimates the database market will have a CAGR of 6.7% between 2008-2013

- 20% of corporate data resides in databases

Autonomy

3

HP-SEC-00194523

US_FBI_E-00010913

Exh 1592-0004

IDOL SPE: How is it Different?

- Crucially: this is a transactional technology – the value is in processing not just analytics

- IDOL SPE overcomes the fundamental limitation in the way BI and analytics operate. We view BI companies as potential customers

- IDOL SPE automatically identifies patterns at the data-level, and learns to infer from prior analysis automating the ETL problem and data cleansing problem

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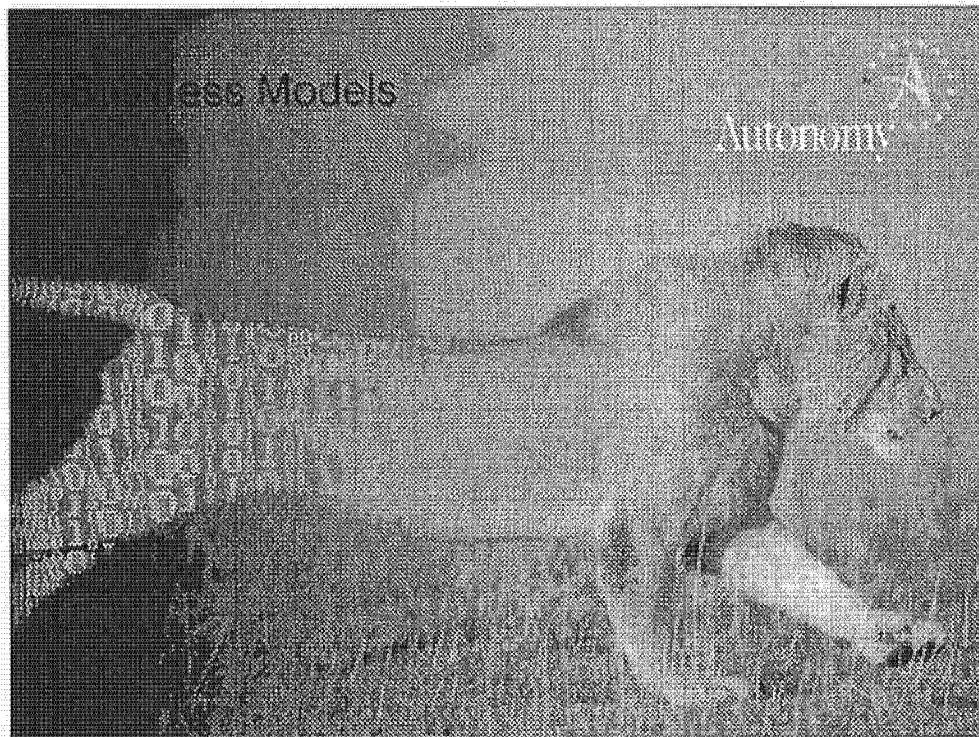
Handing power back to the business from IT

Autonomy

4

HP-SEC-00194524

US_FBI_E-00010914

Exh 1592-0005

Owning the Data and Standardization

- **Technology:** 130 Patents – conceptual technology
- **Connector portfolio:** 400 Connectors
  - Tried and tested
  - Difficult to replicate
  - Many repositories obsolete but still in use
- **Platform:** 500 functions, 400 connectors, Audio / Video, XML, Unstructured all in one
  - Important to win standardization deals
  - Multiple OS
- **Standardization:** Corporates already standardized plus 95% OEM market share
  - Future procurements not competitive
- **Network effect:** All 400 OEMs interconnectable
- **Swiss effect:** The place the data meets: IBM-MSFT-ORCL etc
- **Owning the pipes:** New applications mean one connection not 9,000

5
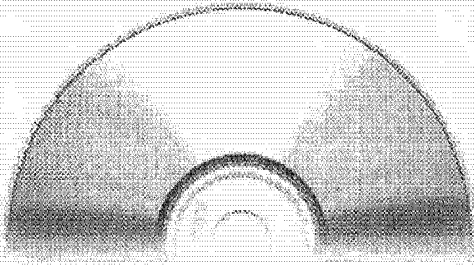
HP-SEC-00194525

US_FBI_E-00010915

Exh 1592-0006

6

HP-SEC-00194526
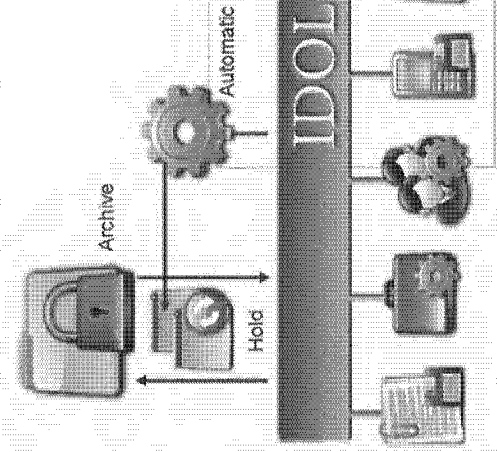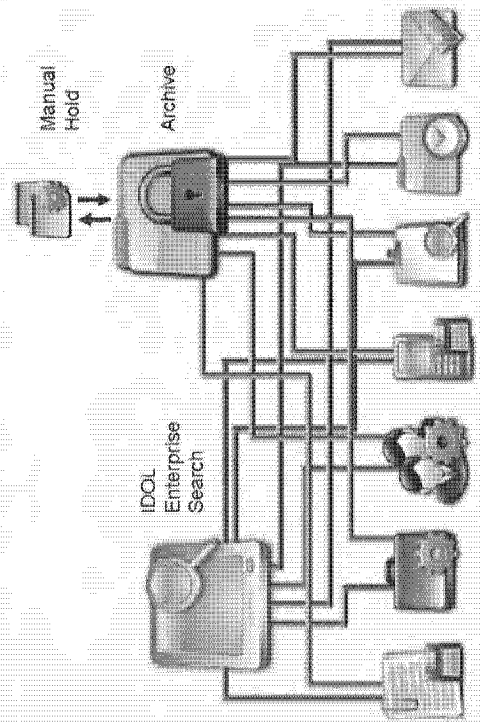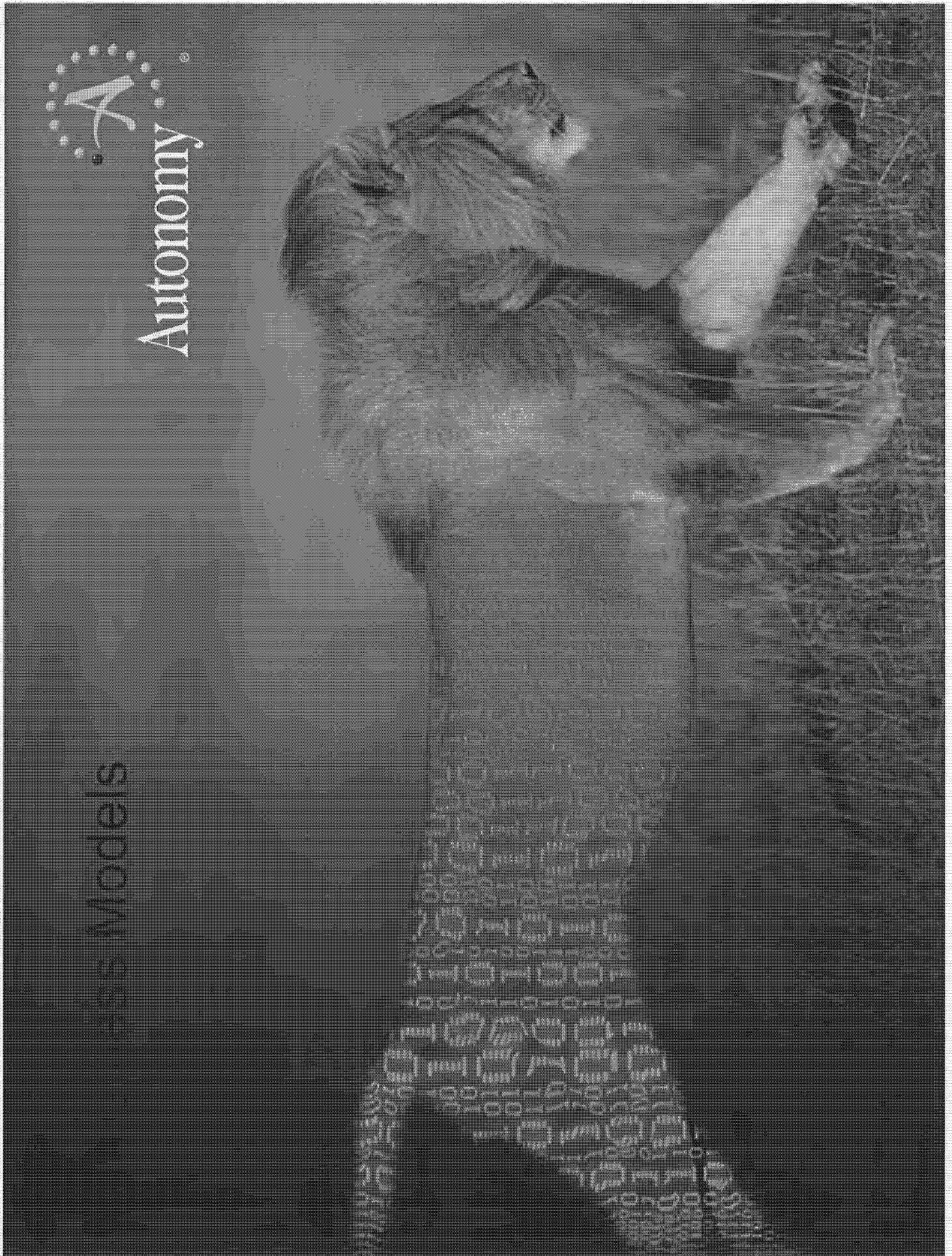
Pure Software Model

- **Gross margin**   **>90%**
- **Operating margin**   **>50%**
- **Deferred revenue**
  (only 30% generates deferred)

Standard Product
License   ~$850k ASP
Support & Maintenance   ~15% p.a. (creates deferred revenue)
65% repeat customer revenue
Typical sale 4 connectors, 4 functions

IDOL OEM
400+ OEMs   ~5 year deals
Royalty-based   ~3% (no deferred revenue)
- 10-14 signed per quarter
- Almost total market share
- 35% year-on-year revenue growth

IDOL Cloud
Paid monthly, and typically 3-year contracts
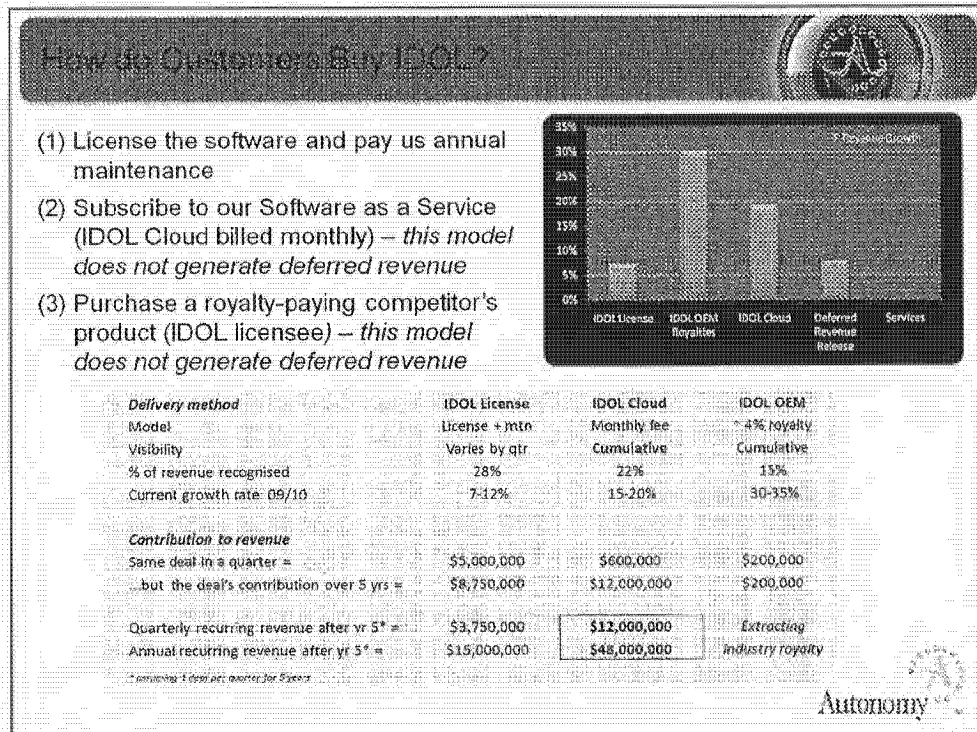Collected in arrears (no deferred revenue)

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Timing of revenues can vary per contract
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New model focused on quick time to value, high return
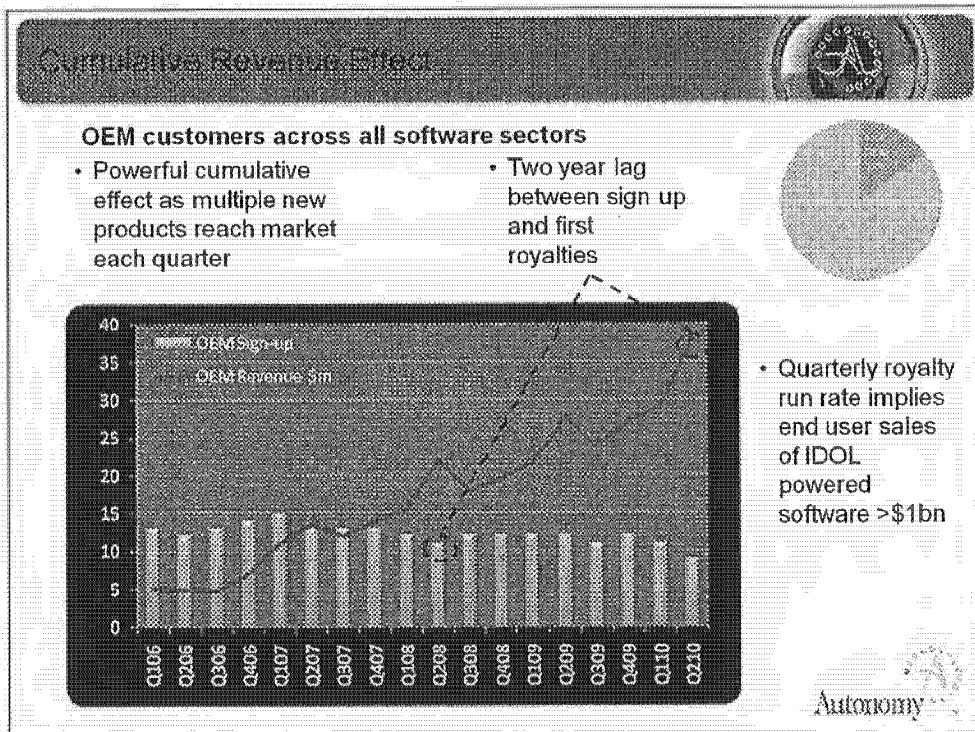
HP-SEC-00194527

US_FBI_E-00010917

Exh 1592-0008

•You'll know about the ZANTAZ acquisition that we did last year

•The reason is that what used to happen is that you had to plug into everything once for operational information, and then again for the archive etc

•That creates a real rats nest of connections so if the CIO knows that he needs to plumb into all of those individually it is a non-starter

•With IDOL you have one connection both operation and risk management

8

HP-SEC-00194528

US_FBI_E-00010918

Exh 1592-0009

IDOL OEM

- Cumulative effect as third party products reach market
  - Revenues today relate to deals signed two years ago
  - No deferred revenue
  - Growing at >30%
  - Close to 100% gross margin on royalties
  - Five individuals run this business (easy to manage)
- Typically license a small subset of functions/connectors
- Royalty rates should tick upwards over time

95% of customers, but just 5% product penetration

Adobe

UGS

EMC² where information lives

UNISYS

Novell.

CISCO   ORACLE   IBM   CITRIX   OPENTEXT   XEROX

IRON MOUNTAIN INCORPORATED   symantec   SAP   red   KANA   bus   Autonomy

9

HP-SEC-00194529

US_FBI_E-00010919

Exh 1592-0010

HP-SEC-00194530

US_FBI_E-00010920

Exh 1592-0011

11

HP-SEC-00194531

US_FBI_E-00010921

Exh 1592-0012

Business By Corporate Sector

Drag Along Third Party Revenue

Services
    1 to 10X Licence revenues

Storage
    0.1 to 10X Licence revenues

Servers
    0.1 to 5X Licence revenues

Network, Security software etc

Autonomy

•You'll know about the ZANTAZ acquisition that we did last year

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13

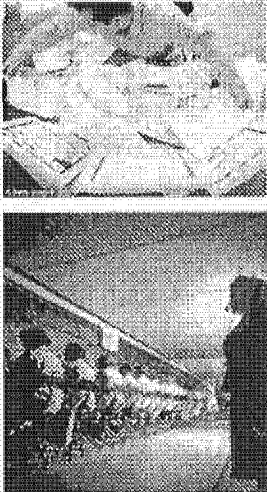HP-SEC-00194533

US_FBI_E-00010923

Exh 1592-0014

Direct
Human beings

...but unstructured data is growing at 62% CAGR!

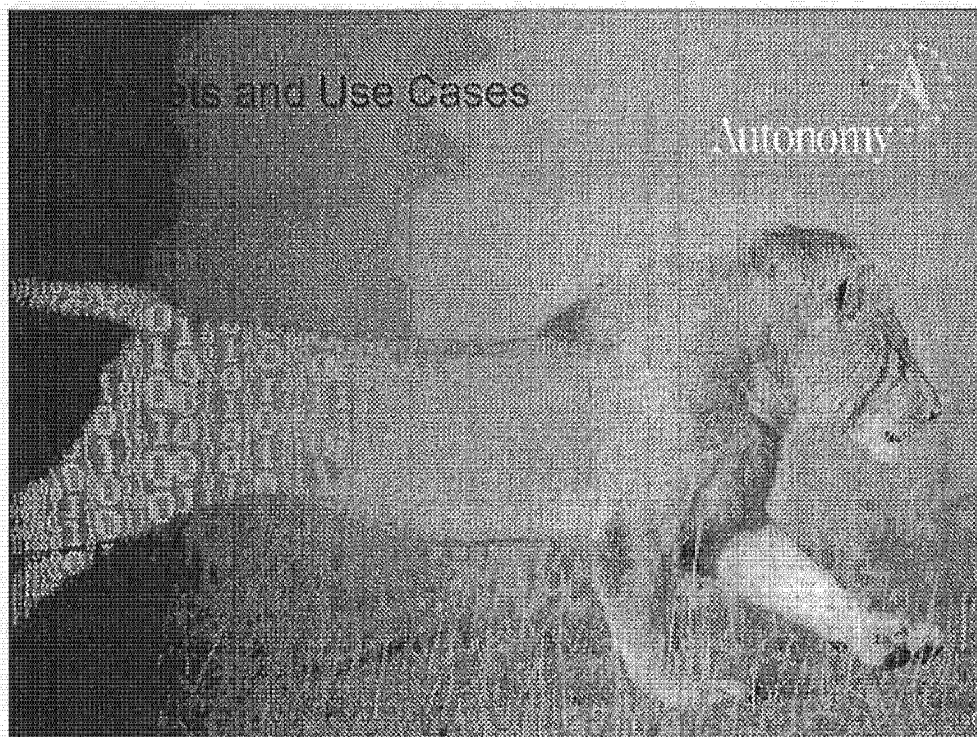**Indirect**
Point solutions with a human team

...but no benefits of automation, long-term overheads, no repeatable results, indolence and fatigue, etc.

Many players commonly considered "competitors" are actually customers

Autonomy

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14

HP-SEC-00194534

US_FBI_E-00010924

Exh 1592-0015

15

HP-SEC-00194535

US_FBI_E-00010925

Exh 1592-0016

Deep Video Indexing

One Platform: 500 Functions & 400 Connectors

OEM   **Cloud**   **Interfaces**   **Mobile**

SOA & IAS

Intelligent Data Operating Layer

Unstructured   XML & Structured   Audio   Video   People

ACI

Operational Repositories   Archive   Federated   Desktop   Web   Rich Media

Functions

Conceptual Retrieval
Agents
Alerting
2D/3D Clustering
Categorization
Collaboration
Community
Taxonomy Generation
Eduction
Query by Example
Spectrographic Analysis
Parametric Refinement
Auto Query Guidance
Tag Reconciliation
Scene Detection
Speaker Identification
Speech Recognition
Video Analysis

Face Recognition
Phrase Spotting
Spell Checking
Expertise Location
Explicit Profiling
Fuzzy Matching
Hot Clustering
Hyperlinking
Implicit Profiling
Metadata
Recognition
Natural Language
Retrieval
Context
Summarization
XML Tagging
...& over 400 more

Connectors

ODBC
MySQL
IBM DB2
Sybase
Documentum
IBM Lotus Notes
MS Exchange
UNIX
SAP
EMC
Symantec
Vignette

OpenText
Livelink
MS SharePoint
Lexis Nexis
BEA Weblogic
Cognos
Iron Mountain
Siebel...& 400 more

Autonomy

IDOL SPE – Strategic Opportunity

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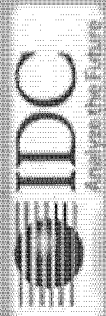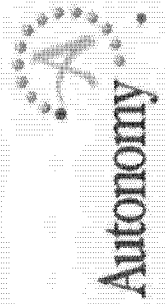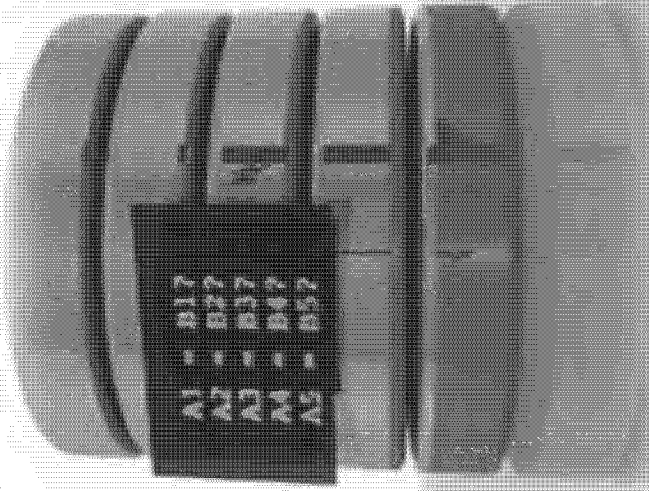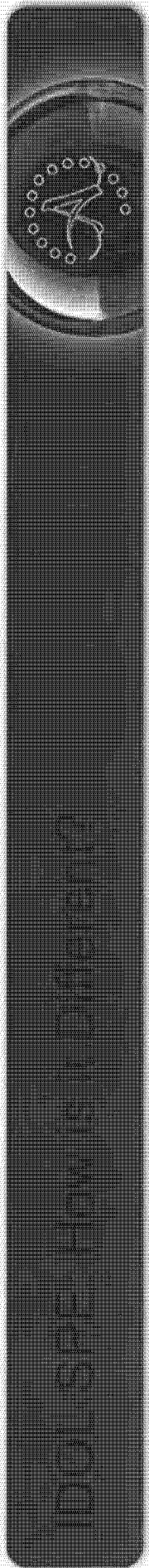- 20% of corporate data resides in databases

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Sue Feldman, IDC

IDC
Analyze the Future

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Handing power back to the business from IT

Autonomy

Owning the Data and Standards

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Mixture of traditional licence and hosted revenues
Timing of revenues can vary per contract
Some deferred revenues

Appliance Based
New model focused on quick time to value, high return

How do Customers Buy IDOL?

(1) License the software and pay us annual maintenance

(2) Subscribe to our Software as a Service (IDOL Cloud billed monthly) – *this model does not generate deferred revenue*

(3) Purchase a royalty-paying competitor's product (IDOL licensee) – *this model does not generate deferred revenue*

**Revenue Growth*

(Bar chart with categories: IDOL License, IDOL OEM Royalties, IDOL Cloud, Deferred Revenue Release, Services; y-axis 0%–35%)
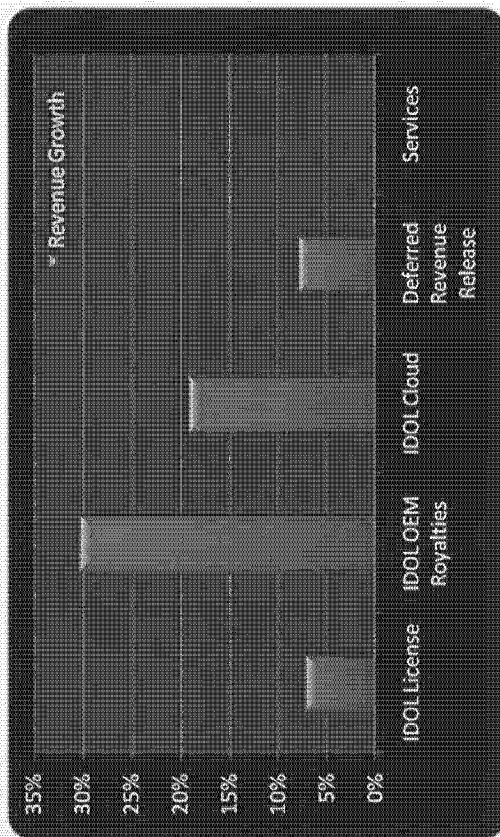
Delivery method	IDOL License	IDOL Cloud	IDOL OEM
Model	License + mtn	Monthly fee	~ 4% royalty
Visibility	Varies by qtr	Cumulative	Cumulative
% of revenue recognised	28%	22%	15%
Current growth rate 09/10	7-12%	15-20%	30-35%
Contribution to revenue			
Same deal in a quarter =	$5,000,000	$600,000	$200,000
…but the deal's contribution over 5 yrs =	$8,750,000	$12,000,000	$200,000
Quarterly recurring revenue after yr 5* =	$3,750,000	**$12,000,000**	
Annual recurring revenue after yr 5* =	$15,000,000	**$48,000,000**	

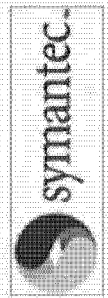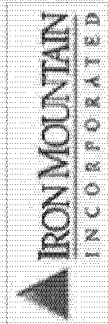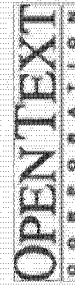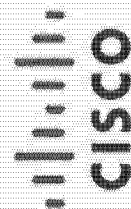*Extracting industry royalty*

* assuming 1 deal per quarter for 5 years
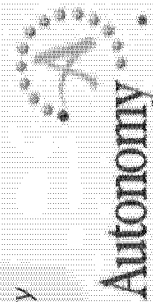
Autonomy

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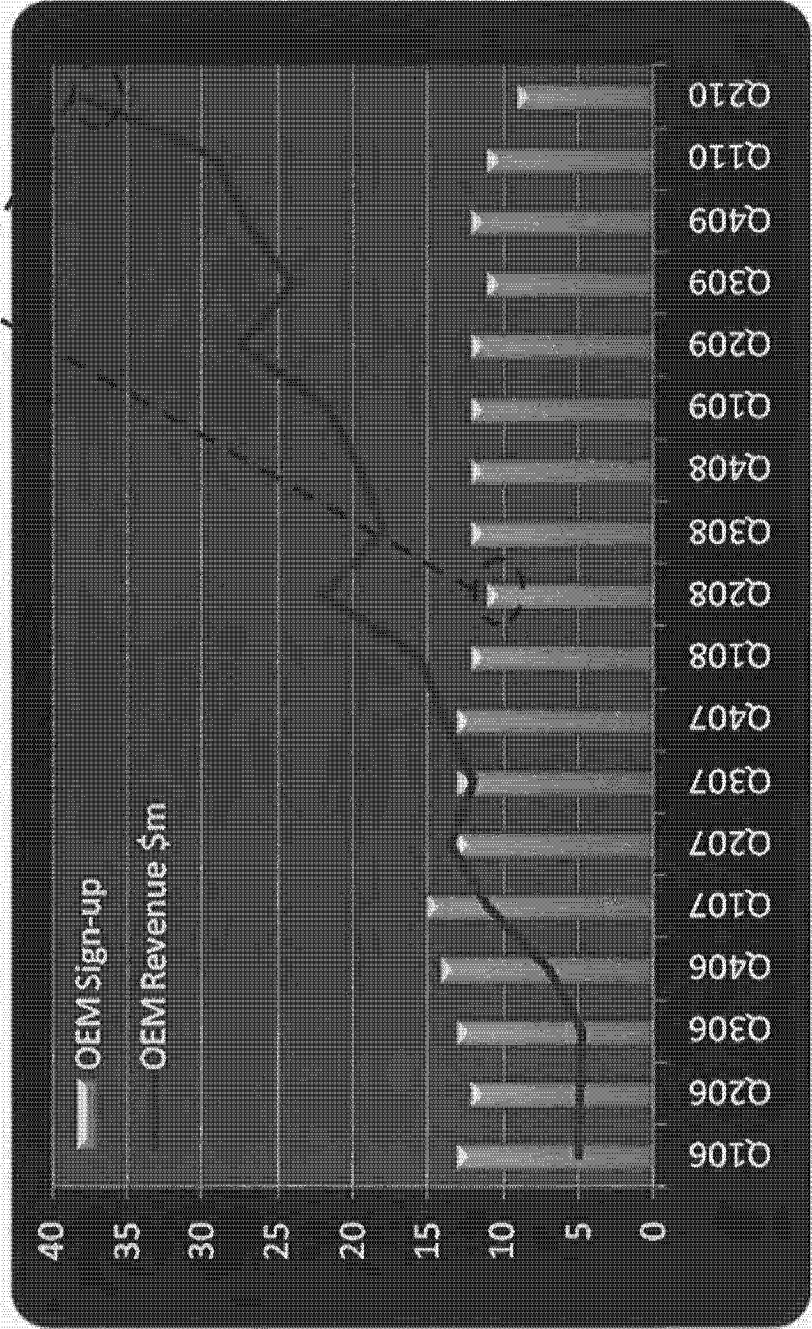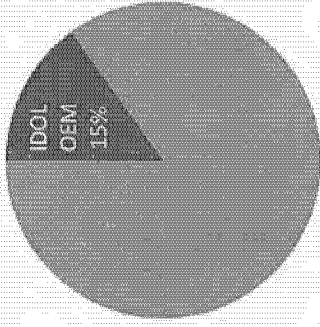- Royalty rates should tick upwards over time

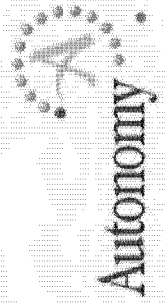**95% of customers, but just 5% product penetration**

Adobe · UGS The PLM Company · EMC² where information lives · UNISYS · Novell · XEROX · EDS · Autonomy · OPENTEXT CORPORATION · KANA · CITRIX · RedDot · IBM · SAP · Symantec · ORACLE · CISCO · IRON MOUNTAIN INCORPORATED
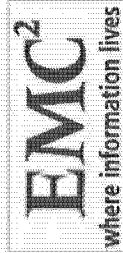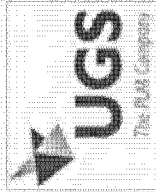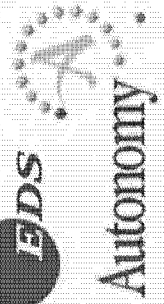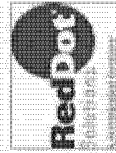
Cumulative Revenue Effect

OEM customers across all software sectors

- Powerful cumulative effect as multiple new products reach market each quarter

- Two year lag between sign up and first royalties

- Quarterly royalty run rate implies end user sales of IDOL powered software >$1bn

Pie chart: IDOL OEM -15%

Chart legend:
- OEM Sign-up
- OEM Revenue $m

Y-axis: 40, 35, 30, 25, 20, 15, 10, 5, 0

X-axis: Q106, Q206, Q306, Q406, Q107, Q207, Q307, Q407, Q108, Q208, Q308, Q408, Q109, Q209, Q309, Q409, Q110, Q210
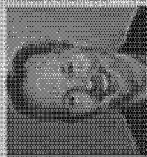
Autonomy

IDOL Cloud

Global CIO: The World's Largest Private Cloud: Who's Number One?

Its 13 petabytes include archived data from the world's top banks and pharma companies, and it's growing rapidly. The owner's name starts with A -- but it's not Amazon.

By Bob Evans
InformationWeek
December 16, 2009 09:35 AM

Leaning hard into the cloud-computing phenomenon that has become the major business-technology theme for 2010, Autonomy Corp. is claiming to be King of the Cloud by virtue of its massive Digital Safe archiving system, which spans 6,500 servers across seven data centers and handles 3 million new files per hour.

(This is the second installment in our series called "The Cloud Imperative," in which we'll analyze how IT vendors are accelerating their cloud-computing strategies, and how CIOs are taking advantage of these new offerings. A link to our first installment its in the "Recommended Reading" list at the end of this column.)

2013: over 50% of all organizer
...ring content will use a cloud
...S based service" —Gartner

• High switching ...
  – Would take months ...
  – Would disrupt ongoing
    investigations
  – Requires ...

Business By Corporate Sector

Autonomy

Drag Plural Particle Revenue

Services
1 to 10X Licence revenues

Storage
0.1 to 10X Licence revenues

Servers
0.1 to 5X Licence revenues

Network, Security software etc
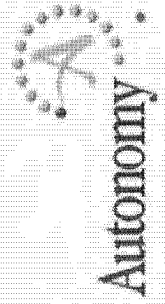
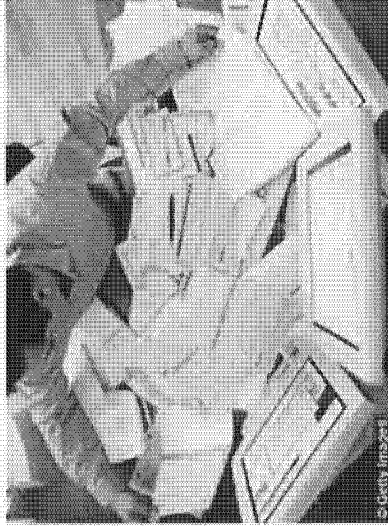**Autonomy**

Competition

Direct
Human beings

...but unstructured data is growing at 62% CAGR!

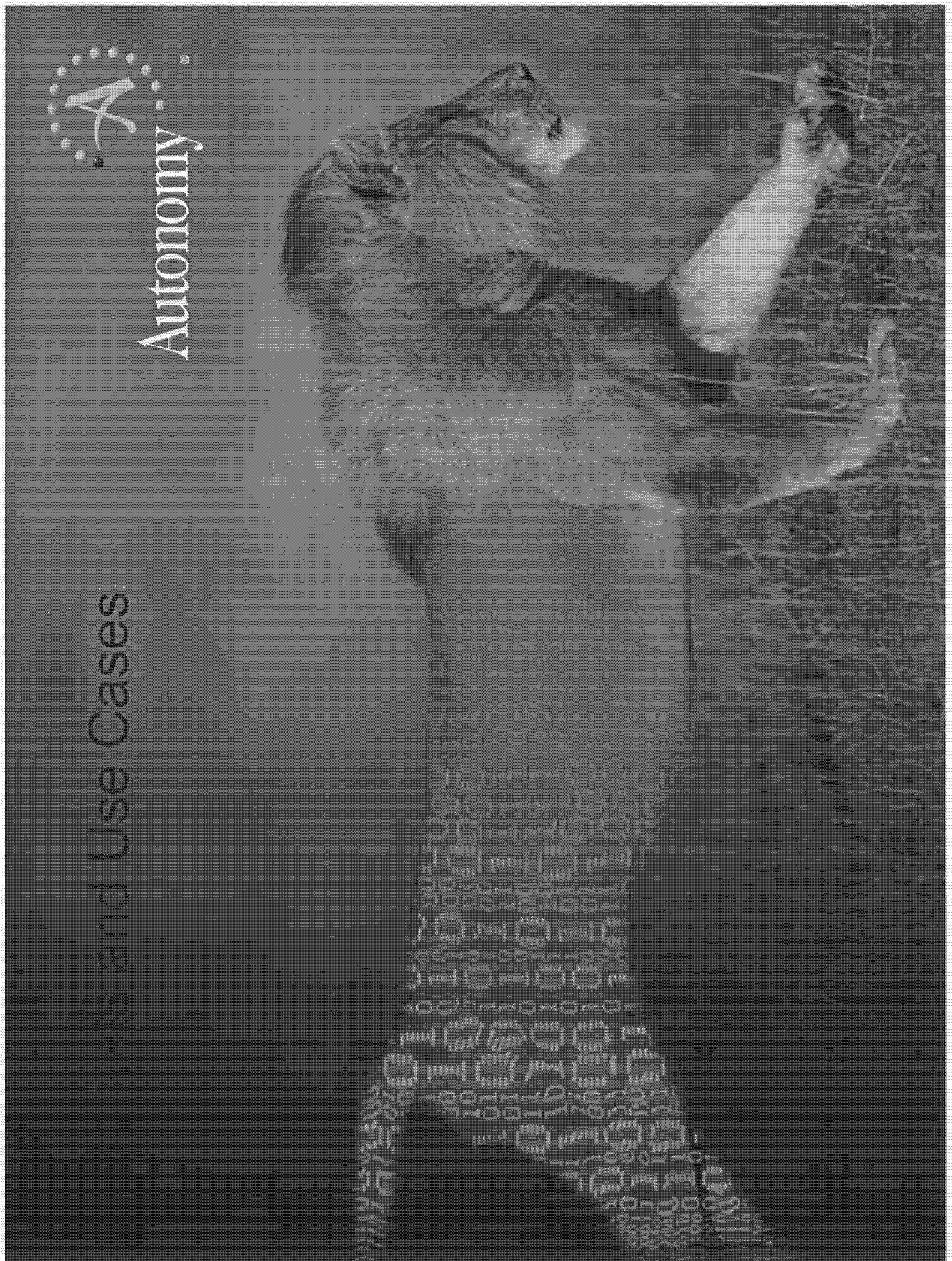### Indirect
Point solutions with a human team

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